Northwest Territories Industry, Tourism and Investment

2004 – 2005 Aurora Visitors Survey Results

Tourism and Parks
Department of Industry, Tourism and Investment
Government of the Northwest Territories

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Introduction

The Aurora Viewing sector of the tourism industry has been improving and evolving well over the past three years.

Aurora viewing is a major attraction in the Northwest Territories (NWT). It is estimated that, at its peak during the 2000-2001 winter, approximately 13,000 visitors traveled to the NWT to see the Aurora Borealis spending about $15 million in the territory. World events including 9/11, Severe Acute Respiratory Syndrome and the war in Iraq had a major impact on the sector and reduced visitor numbers by 50% to 6,500 in 2001-2002. The drop in visitors translated to a loss of revenue in the NWT of $7.8 million.

Significant contributions and coordinated efforts between the Government of the Northwest Territories, Northwest Territories Tourism, the Canadian Tourism Commission, Aboriginal Business Canada, tourism operators in Japan, the City of Yellowknife and Air Canada over the past two years have helped to re-build the industry.

Current market analysis estimates that 10,245 visitors came to the NWT during the 2004-2005 winter to view the Aurora Borealis, which is an increase of about 10% from the previous season (9,990 visitors). Similarly, Aurora visitor spending increased from $12.1 million in 2003-2004 to $12.5 million in 2004-2005.

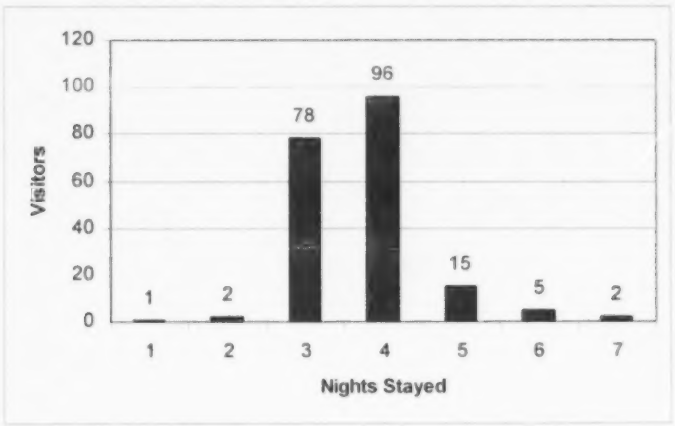
The majority of tour operators currently offering Aurora viewing packages are located in the North Slave region, but there has been increasing interest in other regions around the territory. This interest in the Aurora market has led to new partnerships among tour operators in different tourism sectors in the smaller communities. Similarly, Aurora operators are now creating, marketing and benefiting from "Summer Aurora Viewing" opportunities where guests visit the territory in August and September to view the northern lights and participate in warmer-weather activities like hiking and canoeing.

The growth and evolution of the Aurora tourism sector is promising and tour operators are expecting increased visitor numbers in the 2005-2006 season as a result of on-going marketing efforts and partnerships, along with the excellent response and exposure gained during the 2005 Expo in Japan.

Results

The 2004-2005 survey was completed between the months of December 2004 and March 2005 by 227 individuals. The data presented in this report was supplied by a different Aurora tourism operator than the data supplied in the 2003-2004 season. The results of both reports differ significantly and can be explained by the varied target markets for the two Aurora operators.

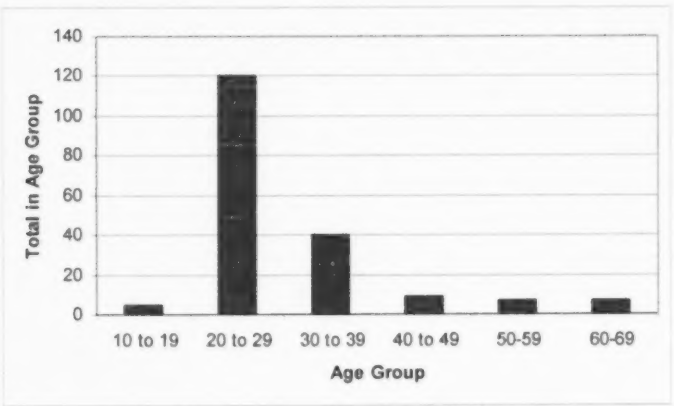
Chart 1: Length of Stay



The length of stay ranged from one to seven nights, with an average stay of 3.74 nights, which is up slightly from last year (3.6 nights).

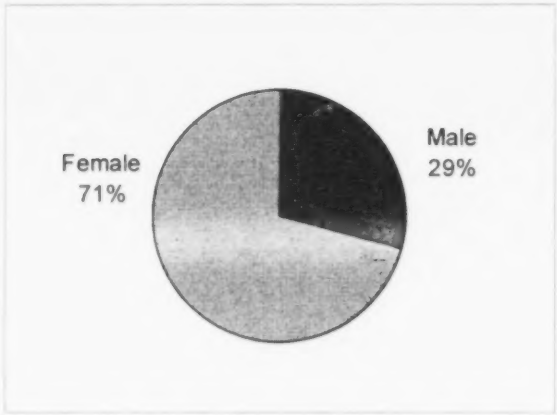
The number of people traveling together varied widely, ranging from single travellers to groups of ten. The average party size was 2.6.

Chart 2: Age Groups



The average age of individuals in the sample was 29.9, down significantly from last year's average age of 36.6. 71% of visitors were between the ages of 20 and 39.

Chart 3: Gender



The survey results show that 71% of the visitors were female and 29% were male. The age distribution of males and females was similar. Of women, 91% were under the age of 40 and for men, 86% of those surveyed were under the age of 40.

Chart 4: Age/Gender

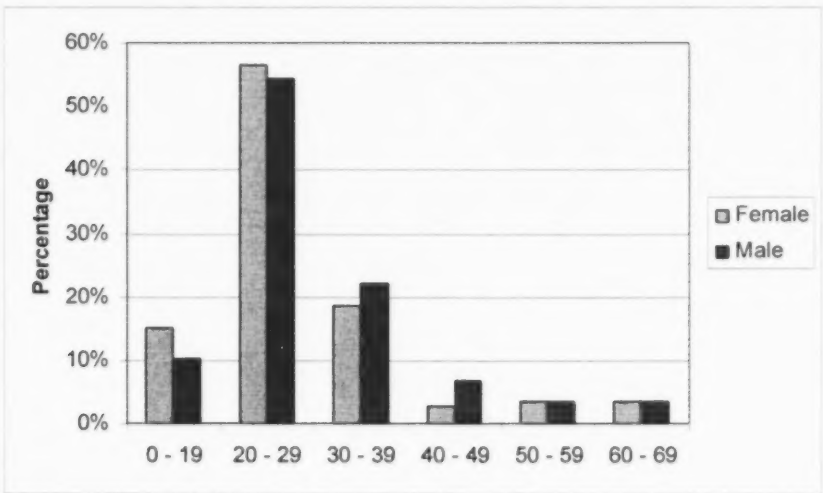
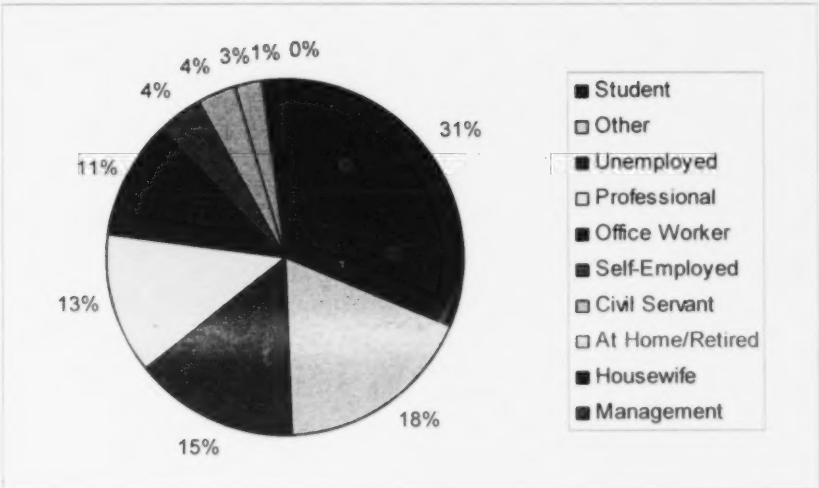
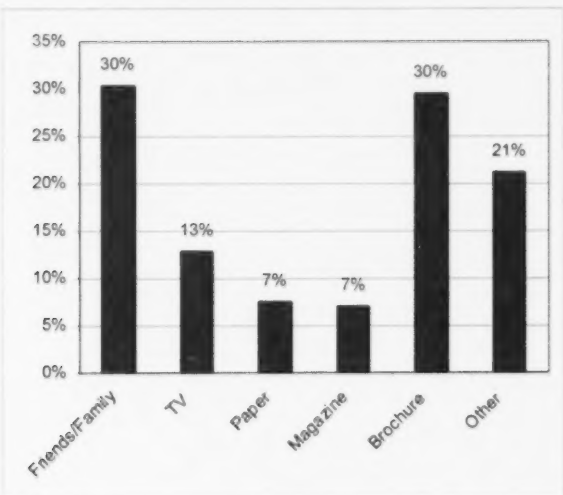


Chart 5: Occupation



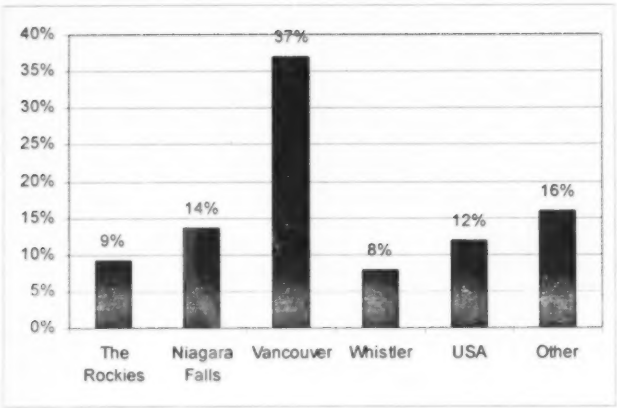
The majority of Aurora visitors were students, and the other large groups were unemployed, professionals and office workers differing significantly from the results in 2003-2004, which indicated that the majority of guests were at home or retired, professionals or clerical staff.

Chart 6: Sources of Information



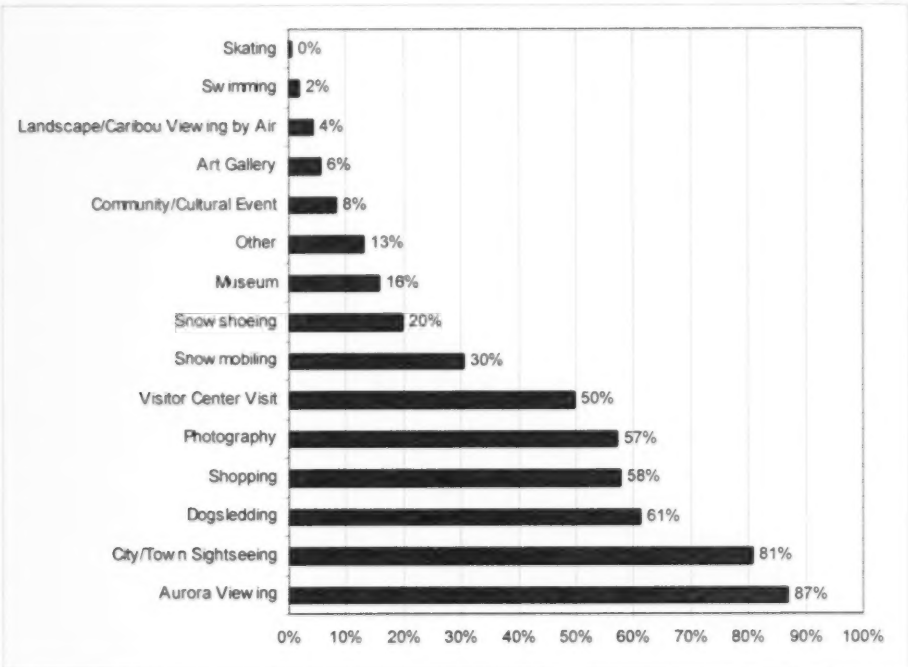
Over 60% of visitors found information about Aurora tourism packages from brochures and friends and family.

Chart 7: Destinations



Of the respondents, 37% also visited both Vancouver, 14% visited Niagara Falls and 12% visited the United States.

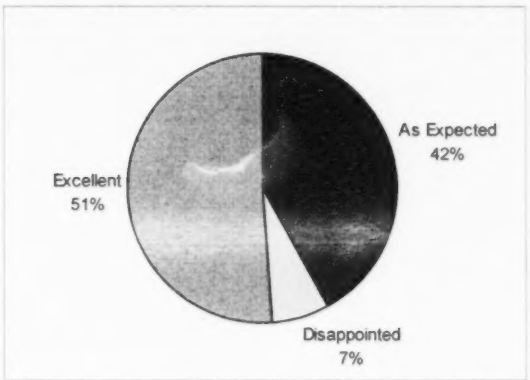
Chart 8: Activities



Aurora viewing was the most common activity of the visitors with almost 87% taking part in the activity. Sightseeing, dog sledding, shopping and photography were also very

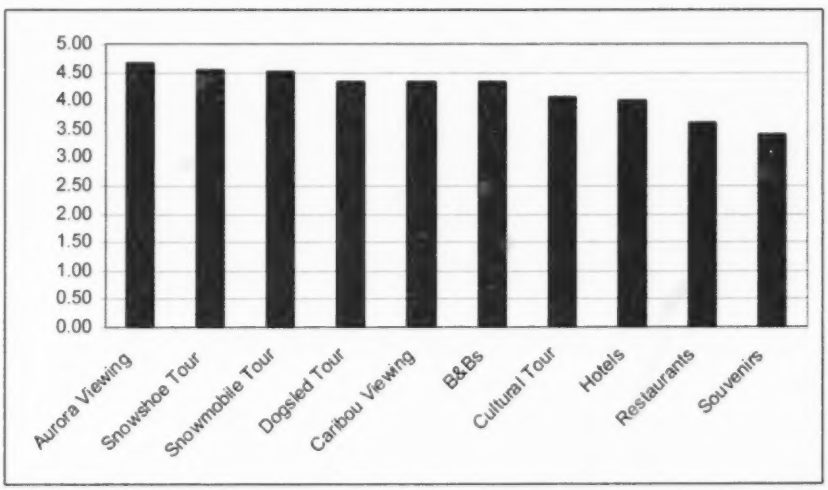
popular among the respondents. The least popular activities were skating, swimming, flight seeing and visiting art galleries.

Chart 9: Aurora Viewing Experience



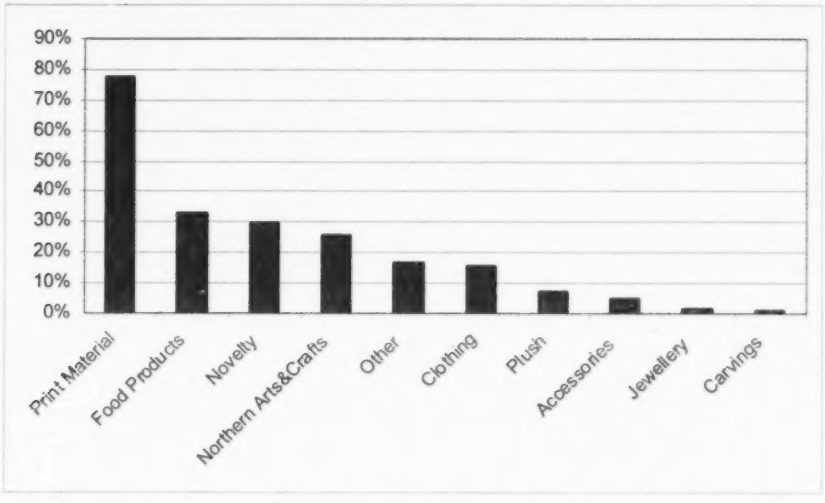
Of the visitors who did the aurora viewing, 92% were able to see the aurora borealis. Of the people who saw the aurora, 51% thought the lights were excellent and only 7% were disappointed with what they saw.

Chart 10: Ratings



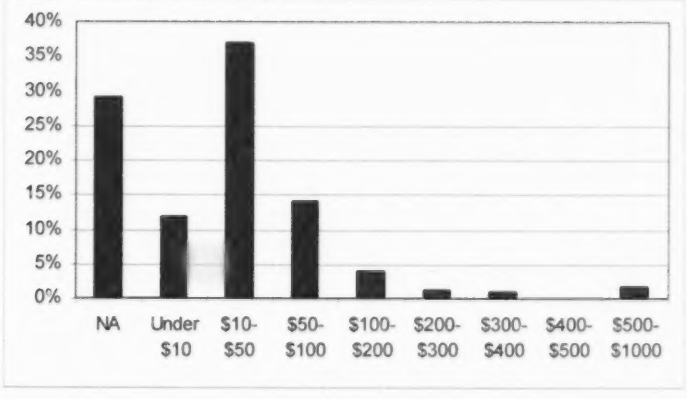
The visitors were asked to rate the activities and services that they used while on their stay in Yellowknife. They were rated on a scale of one to five, where one is poor and five is excellent. All of the cultural tours and activities were rated very high by most of the respondents. The services in Yellowknife were also rated well. However, hotels, restaurants and souvenirs received relatively low ratings.

Chart 11: Purchases



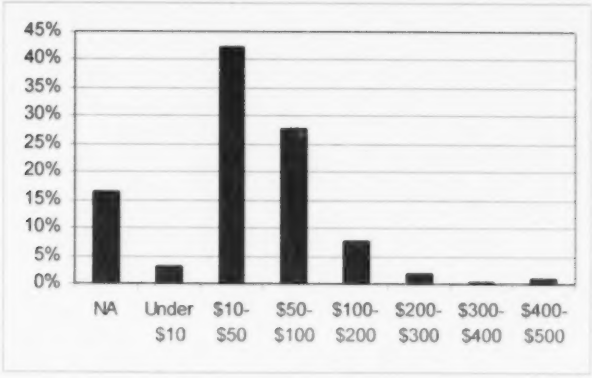
Printed materials were the most popular purchase for the visitors as almost 80% of all Japanese visitors purchased some type of book, magazine or document. In the 2003-2004 season, the majority of guests purchased carvings, however in the 2004-2005 season, carvings were purchased the least often. Again, the probable cause for this shift is the difference in markets for the two Aurora tour operations.

Chart 12: Souvenir Expenditures



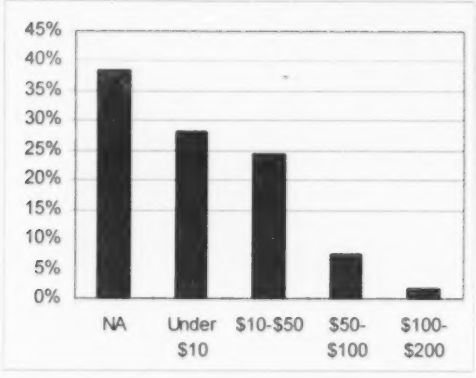
Souvenirs can be considered a large purchase item for the Japanese tourists as 68% of purchases ranged from $10-$300.

Chart 13: Restaurant Expenditures



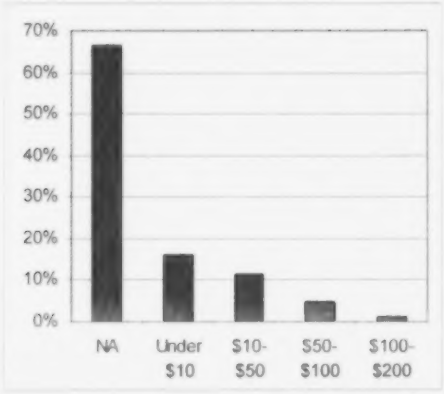
Of the restaurant expenditures, 81% were between $10 and $200.

Chart 14: Grocery Expenditures



Groceries tended to be a small expenditure for Japanese tourists as the majority of visitors spent less than $50.

Chart 15: Arts and Crafts Expenditures



Over 60% of the respondents made no purchases of arts and crafts items and only 1% of respondents spent more than $100 on arts and crafts items.

CONCLUSION

The data presented in this report was supplied by a different Aurora tourism operator than the data supplied in the 2003-2004 season. The results of both reports differ significantly and can be explained by the varied target markets for the two Aurora operators. (Please see '*2003 – 2004 Aurora Visitors Survey Results*' for the complete results from the 2003-2004 season.)

Similar to the 2003-2004 season, the Aurora Visitors Survey results show that a large proportion (70%) of Japanese visitors are women. However, the majority of guests were 'students', 'unemployed' or 'professionals', while in 2003-2004, the majority of guests were 'at home or retired', 'professionals' or 'clerical staff' by occupation. This difference suggests that the two Aurora operators participating in this survey target two distinct groups. Likewise, the average age of the two different client groups shifted from 36.6 in 2003-2004 to 29.9 in 2004-2005.

Another notable difference between the two groups was their spending habits. The group in the 2003-2004 study spent a large portion of money on carvings, while the group in 2004-2005 spent a large portion of money on print materials.

Although demographics and spending habits differed significantly, the activities Aurora visitors participated in and their opinions of services and tours were fairly consistent.

In 2004-2005, while tours and activities were rated highly, hotels and services received much lower average ratings. These lower ratings suggest there may still be some problems in these areas that should be addressed (these ratings reflect the results from the 2003-2004 study).

Similarly, Aurora viewing rates were extremely high, as was the satisfaction rating for the Aurora viewing experience. These results support the Northwest Territories' claim to be one the world's premier aurora viewing locations.

City sightseeing tours and dog sledding tours are by far the most popular of the activities undertaken, after Aurora viewing. The popularity of dog sledding suggests that overnight trips by dog team may be a product possibility that could attract more adventurous, independent Japanese visitors.

In conclusion, although the groups surveyed in the past two years differed significantly demographically and in terms of their expenditures, their opinions and the activities they participated in while in the territory remained fairly consistent.